COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CLARK RURAL ELECTRIC

COOPERATIVE CORPORATION OF WINCHESTER,

KENTUCKY, FOR COMMISSION APPROVAL OF A

CERTIFICATE OF CONVENIENCE AND NECESSITY

TO CONSTRUCT ACCORDING TO THE

COOPERATIVE'S 1994-1995 TWO YEAR WORK PLAN

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ORDER

Clark Rural Electric Cooperative Corporation ("Clark RECC") filed its application on August 9, 1993 for a Certificate of Public Convenience and Necessity to construct facilities to serve approximately 1408 new customers and to help eliminate overloading of inadequate facilities.

Clark RECC provides service to approximately 18,200 consumers in 12 counties in central Kentucky. Clark RECC is a distribution cooperative which receives generation and transmission services from East Kentucky Power Cooperative ("EKPC"). Pourteen EKPC substations currently provide both 7.2/12.47 kV and 14.4/24.9 kV delivery points.

In support of its application, Clark RECC filed a copy of its 1994-1995 Work Plan, which estimates a total two-year construction budget of \$3,851,712, as follows:

New Services
 Miscellaneous Distribution Equipment
 \$1,512,000
 \$2,339,712
 \$3,851,712

Clark RECC proposes no major distribution system improvement projects within the 1994-1995 Work Plan, and indicates that additional voltage regulation and sectionalizing equipment are the only system improvements required at this time. However, Clark RECC has submitted an evaluation to EKPC recommending construction of a new substation in Menifee County, Kentucky. The new substation will assume a portion of the Frenchburg Substation's load and defer additional distribution system improvements in the area.

Clark RECC indicates that financing will ultimately be sought from the Rural Electrification Administration and the National Rural Utilities Cooperative Finance Corporation and that necessary approvals will be sought at a later date.

Based on the application and supporting 1994-1995 Work Plan, and being advised, the Commission finds that the proposed improvements and additions to be constructed by Clark RECC are necessary to provide adequate, reliable electric service to existing and new customers.

IT IS THEREFORE ORDERED that Clark RECC be and it hereby is granted a Certificate of Public Convenience and Necessity to construct the facilities described in its 1994-1995 Work Plan.

Done at Frankfort, Kentucky, this 2nd day of December, 1993.

PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director